

RAILROAD COMMISSION OF TEXAS

SURFACE MINING AND RECLAMATION DIVISION

March 31, 2009

Mr. Josh Leftwich Environmental Manager Uranium Energy Corporation (UEC) 400 Mann Street, Suite 900 Corpus Christi, Texas 78401

RE:

Weesatche Project, Goliad County Uranium Exploration Permit No. 123B

Inspection Report

Dear Mr. Leftwich:

Enclosed is a copy of the report for the inspection completed on March 25, 2009, at UEC's Weesatche Project, Goliad County.

If you have any questions, please contact me at (512) 305-8813.

Sincerely,

Mark Schlimgen, Manager Inspection and Enforcement

MS/sdj Enclosure



RAILROAD COMMISSION OF TEXAS SURFACE MINING AND RECLAMATION DIVISION

URANIUM EXPLORATION INSPECTION REPORT

Project Name: Weesatche				Permit Number: 123B		
Permittee:	UEC	County: Goliad				
Industry Representative(s) Present: John Pollock						
Inspector:	Steve Meadows		0.	Date of Inspection	n: March 25,	2009
* 5		*		•		*2
I. Field Cond	ditions and Data Coll					
Samples Colle	cted: No 🛛 Yes	S Sa	ample Type:	Water	Soil 🗌	Vegetation
Average Temperature	Soil Condition	n Dry	Date Last Rainfall	N/A	Wind Direction Velocity (Est.)	
Photographs A	ttached: No 🗌 Yes 🖸	(Complete Sec	tion IV)			
II. Enforceme	ent Action Taken	*				
Notice of Viola	ation Issued:	No 🖂	Yes 🗌	NOV No.		
Cessation Orde	er Issued:	No 🖂	Yes 🗌	CO No.	1	
						0
				·		
1 5	How Meadows	03/27/2009		arli Shli	i Ola	3-27-2009
Inspector Signature		Date	Revie	Reviewing Supervisor Signature Date		

The Railroad Commission of Texas complies with Federal and State laws applicable to race, religion, national origin, sex, and disability. Information is available upon request by calling (512) 463-7288 or 1-800-735-2989 if special assistance is required.

Project Name:

Weesatche

Permit Number:

123B

Inspection Date:

March 25, 2009

III. Comments - Inspection Narrative

- · Document the area of the permit inspected
- · Discuss observations made during the inspection
- · Document the results of any field tests taken
- Provide a summary of any discussions with industry representatives, along with results, and expectations from those discussions
- Describe any enforcement action taken during the inspection, along with facts or evidence supporting the enforcement action

No drilling activity was underway at the time of this inspection of UEC Permit No. 123. The status of site restorations on the Braquet and Abramite properties was the focus of the inspection as a result. Numerous exploration drilling sites on these areas were examined as seen in photo 1 of borehole CAALT-1, which can be considered typical. Photos 2-4 document the site restoration typical for the cased monitor wells that have recently been completed. The area near cased wells RBLD-3 and RBLD-5, which required the addition of topsoil to complete site restoration in September of 2007, is seen in Photos 5-7. Re-vegetation can be seen to be advancing in spite of the drought conditions. Further observation of site restorations will be the focus of continuing inspections.

Project Name: Permit Number: Inspection Date: Weesatche

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Photo 1: Site restoration at borehole CAALT-1



Photo 2: Site restoration at monitor wells RBLA-2 and RBLA-5 on the Abramite property.

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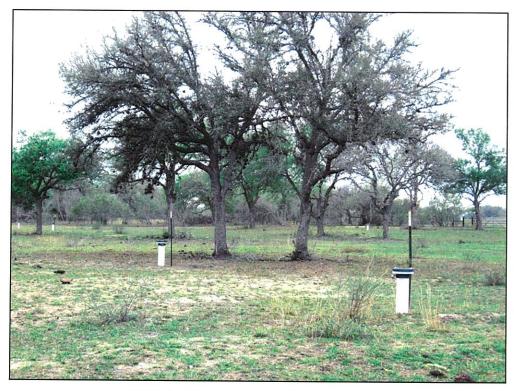


Photo 3: Monitor wells on Braquet property.



Photo 4: Recent site restoration of monitor well on Braquet property.

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Photo 5: Area re-top soiled near wells RBLD-3 and RBLD-5 on 10-3-07.



Photo 6: RBLD-3 and RBLD-3 area on 2-12-08.

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Photo 7: Monitor wells RBLD-3 and RBLD-5 on 3-25-09.